GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:597
ANSWERED ON:27.04.2001
INDIAN TEA INDUSTRY
UMMAREDDY VENKATESWARLU

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the extent to which the emergence of new players in the tea sector such as Sri Lanka has affected our export;

(b) whether the Government have prepared a long-term policy to ensure that Indian tea has a sustainable global competitive position;

(c) if so, the details thereof; and

(d) the steps being taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA STARRED QUESTION NO. 597 FOR ANSWE 27.4.2001 REGARDING INDIAN TEA INDUSTRY.

(a) : Export of tea from India has been affected due to stiff competition from other producing and exporting countries such as Sri Lanka, Kenya, Indonesia and China.Indian tea export is facing competition from Sri Lanka and Indonesia in respect of orthodox tea and from Kenya in respect of CTC tea.Sri Lanka has increased its share of exports to countries such as Russia, CIS countries and in the WANA region which are traditional markets for Indian tea.Kenya increased its share of export to UK, which was the traditional, and an important market for Indian tea till late 70s. China is a competitor for green tea exports from India.

(b) & (c) : Yes Sir. Tea Board has prepared a detailed indicative medium term export strategy for boosting exports of tea during the next five years. The strategy in brief envisages creation of consumer awareness for Indian teas as better quality teas, improve quality, shift in production from CTC to Orthodox variety, improve packaging standards to meet world standards, identification of major products with focus on value addition, such as flavoured tea, teas with herbal infusions, tea packets, convenience teas such as tea bags ready to drink tea and speciality teas like organic black tea, green tea and biodynamic tea etc. The strategy also focuses on identification of major markets and up coming markets, enhance volume in CIS/Russia, target the growing tea market in France, launch promotional campaigns in focus markets, provide legislative protection for teas of Indian origin, participation in fairs and exhibitions with greater impact etc.

(d) : The immediate steps taken in this regard include formulation of a voluntary scheme on quality assurance in respect of tea exports to Russian Federation, quality upgradation programme for improving quality of teas produced in South India, receiving delegation from Russian Tea and Coffee Association (ROSCHAI) in May, 2001. Other steps being taken by the Govt./Tea Board include programme for participation in important consumer and food/beverage fairs/exhibitions, buyer-seller meets, media publicity, providing promotional support to Indian exporters/foreign importers in promotion and marketing of Indian tea brands, tea sampling in speciality stores/principal markets, exchange of tea delegations between India and important tea importing countries etc. Further for development and implementing a long-term plan on a global basis, the Tea Board has decided to appoint a professional marketing consultant.